

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

W-02273 A

Ehrenberg Water Co.

P.O. Box 315

Ehrenberg, AZ

85334-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

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COMPANY INFORMATION

Company Name (Business Name) Ehrenberg Improvement Association

Mailing Address P.O. Box 315

Ehrenberg
(City)

AZ
(State)

85334
(Zip)

(928) 923-9388

(928) 923-9389

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address EhrenbergWater@aol.com

Local Office Mailing Address Same
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Joseph D. Leach Water Department Manager

(Name)

(Title)

50078 Parker Poston Rd

Suite 108

Ehrenberg, AZ

85334

(Street)

(City)

(State)

(Zip)

(928) 923-9388

(928) 923-9389

(760) 200-6056

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Same

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Wayne Smith

(Name)

3300 Central Ave. #1800

(Street)

Phoenix AZ

(City)

85012

(State)

(Zip)

(602) 248-7000

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Robbins & Green

(Name)

3300 Central Ave #1800

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 248-7000

Telephone No. (Include Area Code)

(602) 266-5369

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☒ **Other (Describe)** Non Profit Corporation

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☒ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	4,800	-	4,800
304	Structures and Improvements	17,799	6,585	11,214
307	Wells and Springs			
311	Pumping Equipment	44,920	44,920	-
320	Water Treatment Equipment	16,016	13,345	2,671
330	Distribution Reservoirs and Standpipes	445,634	117,398	338,236
331	Transmission and Distribution Mains	1,047,913	485,533	562,380
333	Services			
334	Meters and Meter Installations	49,950	38,572	11,378
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	472	472	-
341	Transportation Equipment	29,869	15,309	14,560
343	Tools, Shop and Garage Equipment	4,095	4,095	-
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	3,240	3,240	-
348	Other Tangible Plant			
	TOTALS	1,674,708	729,469	945,239

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	4,800	0	-
304	Structures and Improvements	17,799	2	356
307	Wells and Springs			
311	Pumping Equipment	44,920	10	2,995
320	Water Treatment Equipment	16,016	20	3203
330	Distribution Reservoirs and Standpipes	455,634	2	9113
331	Transmission and Distribution Mains	1,047,913	2	20,958
333	Services			
334	Meters and Meter Installations	49,950	3.33	1664
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	472	20	-
341	Transportation Equipment	29,869	20	5,974
343	Tools, Shop and Garage Equipment	4,095	20	-
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	3,240	2	427
348	Other Tangible Plant			
	TOTALS	1,674,708		44,690

This amount goes on Comparative Statement of Income and Expense _____
Acct. No. 403.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4,535	\$ 16,828
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	25,140	6,420
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	54,797	-
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	6,108	-
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 90,580	\$ 23,248
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,674,708	\$1,674,708
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	684,779	729,469
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$989,929	\$945,239
	TOTAL ASSETS	\$ 1,080,509	\$ 968,487

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 56,649	\$ 32,938
232	Notes Payable (Current Portion)	41,716	25,895
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	7,843	
236	Accrued Taxes	2,701	
237	Accrued Interest	4,102	
241	Miscellaneous Current and Accrued Liabilities	-	
	TOTAL CURRENT LIABILITIES	\$ 113,011	\$ 58,833
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 505,828	\$ 493,021
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$618,839	\$551,854
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	461,670	416,633
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$461,670	\$ 416,633
	TOTAL LIABILITIES AND CAPITAL	\$1,080,509	\$ 968,487

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 252,362	\$ 267,506
460	Unmetered Water Revenue	1,665	
474	Other Water Revenues	55,000	
	TOTAL REVENUES	\$ 309,027	\$ 267,506
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 66,001	\$ 92,147
610	Purchased Water	160	163
615	Purchased Power	9,527	11,241
618	Chemicals	9,928	11,200
620	Repairs and Maintenance	4,002	10,401
621	Office Supplies and Expense	3,746	16,538
630	Outside Services	7,389	3,527
635	Water Testing	-	-
641	Rents	-	-
650	Transportation Expenses	2,268	3,122
657	Insurance – General Liability	6,234	6,807
659	Insurance - Health and Life	12,092	4,933
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	74,679	48,759
403	Depreciation Expense	45,284	44,690
408	Taxes Other Than Income	5,010	9,061
408.11	Property Taxes	26,899	15,565
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 273,225	\$ 278,154
	OPERATING INCOME/(LOSS)	\$ 35,802	\$ (10,648)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 96	\$ -
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(28,357)	(34,389)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (28,261)	\$ (34,389)
	NET INCOME/(LOSS)	\$ 7,541	\$ (45,037)

COMPANY NAME Ehrenberg Improvement Association

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan	USDA	USDA	GMAC	GMAC
ACC Decision No.				
Reason for Loan	Construct	Construct	Truck	Truck
Dollar Amount Issued	\$.	\$.	\$	\$
Amount Outstanding	\$416, 712	\$83,275	\$ 2,544	\$16,385
Date of Maturity				
Interest Rate	5.0	4.5	2.9	13.75
Current Year Interest	\$ 22,945	\$ 4,407	\$116	\$ 2,497
Current Year Principle	\$ 15,054	\$ 988	\$2,699	\$ 3,217

Meter Deposit Balance at Test Year End

\$ 5,248

Meter Deposits Refunded During the Test Year

\$ 13

COMPANY NAME Ehrenberg Improvement Association

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
N/A						

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
River Pump	600	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
None		63	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
600,000	2	30,000	1

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	AC	7920
8		
10		
12	AC	267000

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	198
1	45
1 1/2	10
2	15
Comp. 3	6
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	2
Turbo 6	
Comp. 8	1

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

30' x 40' Steel Storage Building
6' x 5' Steel Water Treatment Building

OTHER:

COMPANY NAME: Ehrenberg Improvement Association

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	N/A	6,892,481	8,585,000
FEBRUARY		7,843,420	9,620,000
MARCH		8,185,645	9,621,000
APRIL		8,984,508	11,619,000
MAY		11,660,758	14,037,000
JUNE		12,447,545	15,081,000
JULY		13,256,330	16,062,000
AUGUST		14,623,073	18,338,000
SEPTEMBER		11,722,051	13,884,000
OCTOBER		10,691,880	13,159,000
NOVEMBER		10,715,544	13,726,000
DECEMBER		9,241,726	12,307,000
TOTAL			156,039,000

info not available

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes ☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. _____ mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Ehrenberg Improvement Association **YEAR ENDING 12/31/2002**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 15,565.12

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Ehrenberg improvement Association

YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported N/A
Estimated or Actual Federal Tax Liability

State Taxable Income Reported N/A
Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances: N/A
Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

JUN 04 2004

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>La Paz</u>	AZ CORPORATION COMMISSION
NAME (OWNER OR OFFICIAL) TITLE <u>Joseph Leach</u> <u>Water Manager</u>	DIRECTOR OF UTILITIES
COMPANY NAME <u>Ehrenberg Improvement Association</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2002</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 267,506.00

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 16,500

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL

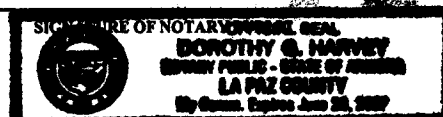
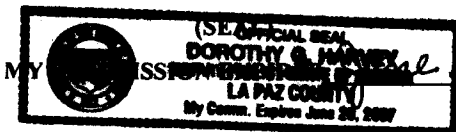
TELEPHONE NUMBER _____

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 3RD DAY OF

COUNTY NAME <u>LA PAZ</u>	
MONTH <u>JUNE</u>	<u>2004</u>



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

JUN 04 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) La Paz		ARIZONA CORPORATION COMMISSION
NAME (OWNER OR OFFICIAL) Joseph Leach	DIRECTOR OF UTILITIES	
COMPANY NAME Ehrenberg Improvement Association		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 267,506.00

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 16,500
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

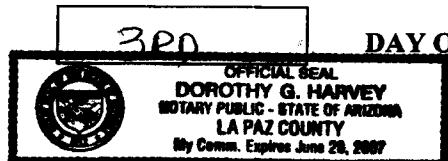

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF


THIS 3RD DAY OF

(SEAL)



MY COMMISSION EXPIRES June 28, 2007

NOTARY PUBLIC NAME DOROTHY G. HARVEY	
COUNTY NAME LA PAZ	
MONTH JUNE	2004

x 
SIGNATURE OF NOTARY PUBLIC